

Bill no.:	H R 5058
Amendment no.:	1
Date offered:	7/10/02
Disposition:	Agreed to by VV

En Bloc **AMENDMENT TO H.R. 5058**
OFFERED BY MR. STEARNS

Page 10, after line 19, insert the following:

1 **SEC. 8. ACCOUNTING STANDARDS COMMISSION.**

2 (a) ESTABLISHMENT AND PURPOSE.—There is es-
3 tablished a commission to be known as the “Accounting
4 Standards Commission” (in this section referred to as the
5 “Commission”). The purpose of the Commission shall be
6 to study and recommend steps to improve both current
7 accounting standards and the process by which such
8 standards are set.

9 (b) MEMBERSHIP.—

10 (1) NUMBER AND APPOINTMENT.—The Com-
11 mission shall be composed of 9 members who shall
12 be appointed by the President.

13 (2) POLITICAL AFFILIATION.—Not more than 5
14 members appointed under subsection (a) may be of
15 the same political party.

16 (3) QUALIFICATIONS OF MEMBERS.—Members
17 shall be appointed to the Commission from among
18 individuals who are prominent experts in financial
19 accounting and related fields.



1 (4) CHAIRPERSON.—The President shall des-
2 ignate a Chairperson from among the members ap-
3 pointed to the Commission.

4 (5) TERMS.—Members of the Commission shall
5 be appointed not later than 60 days after the date
6 of enactment of this Act. Members shall be ap-
7 pointed for terms that expire upon termination of
8 the Commission under section 7.

9 (6) VACANCIES.—A vacancy in the Commission
10 shall not affect its powers, but shall be filled in the
11 same manner as the original appointment.

12 (7) MEETINGS.—

13 (A) INITIAL MEETING.—Not later than 30
14 days after the date on which all members of the
15 Commission have been appointed, the Commis-
16 sion shall hold its first meeting.

17 (B) ADDITIONAL MEETINGS.—The Com-
18 mission shall meet at the call of the Chair-
19 person or a majority of its members.

20 (8) QUORUM.—A majority of the Commission
21 shall constitute a quorum for the transaction of
22 business.

23 (9) BASIC PAY AND EXPENSES.—Members of
24 the Commission shall serve without pay. Each mem-
25 ber shall receive travel expenses, including per diem



1 in lieu of subsistence, in accordance with applicable
2 provisions under subchapter I of chapter 57 of title
3 5, United States Code.

4 (c) DUTIES OF THE COMMISSION.—

5 (1) IN GENERAL.—The Commission shall
6 examine—

7 (A) the record of the FASB in establishing
8 financial accounting and reporting standards;

9 (B) the role of accounting standards in
10 corporate bankruptcies, audit failures, and fi-
11 nancial reporting fraud; and

12 (C) alternative standards setting mecha-
13 nisms with the aim of proposing improvements
14 in the manner by which financial accounting
15 and reporting standards are established.

16 (2) FINAL REPORT.—Not later than 6 months
17 after the date of the initial meeting of the Commis-
18 sion, the Commission shall transmit to the President
19 and the Congress a final report which shall
20 include—

21 (A) an analysis of the issues examined
22 under paragraph (1); and

23 (B) recommendations for specific legisla-
24 tion to improve financial accounting and report-



1 ing standards and to address any problems
2 identified as part of the Commission's analysis.

3 (d) EXECUTIVE DIRECTOR AND STAFF.—

4 (1) EXECUTIVE DIRECTOR.—The Commission
5 shall have an Executive Director who shall be ap-
6 pointed by the Commission. To the extent or in the
7 amounts provided in appropriation Acts, the Execu-
8 tive Director shall be paid at a rate not to exceed
9 the rate of basic pay for level 3 of the Executive
10 Schedule.

11 (2) STAFF.—The Commission may appoint and
12 fix the rate of pay of additional personnel as it con-
13 siders appropriate.

14 (e) POWERS.—

15 (1) HEARINGS.—The Commission may hold
16 such hearings, sit and act at such times and places,
17 take such testimony, and receive such evidence as
18 the Commission may find advisable to fulfill the re-
19 quirements of this Act. The Commission may admin-
20 ister oaths and affirmations to witnesses appearing
21 before the Commission

22 (2) ADMINISTRATIVE SUPPORT SERVICES.—

23 Upon the request of the Chairperson of the Commis-
24 sion, the Administrator of General Services shall
25 provide to the Commission, on a reimbursable basis,



1 the administrative support services, including per-
2 sonnel and facilities, that are necessary to enable the
3 Commission to carry out its duties under this Act.

4 (3) POSTAL SERVICES.—The Commission may
5 use the United States mails in the same manner and
6 under the same conditions as other departments and
7 agencies of the Federal Government.

8 (f) TERMINATION.—The Commission shall terminate
9 6 months after the date on which the Commission submits
10 its report under subsection (c)(2).

11 (g) AUTHORIZATION OF APPROPRIATIONS.—There
12 are authorized to be appropriated \$2,000,000 for the
13 Commission to carry out this section.



AMENDMENT TO H.R. 5058**OFFERED BY M.**

Page 8, beginning on line 11, strike subparagraph
(B) and insert the following:

1 (B) EVALUATION OF COMPLIANCE.—An
2 evaluation by the FASB of the extent of the
3 compliance of the standards of financial ac-
4 counting and reporting promulgated or revised
5 by the FASB during the year to which the re-
6 port pertains with the requirements, objectives,
7 and principles of sections 4 and 5.

